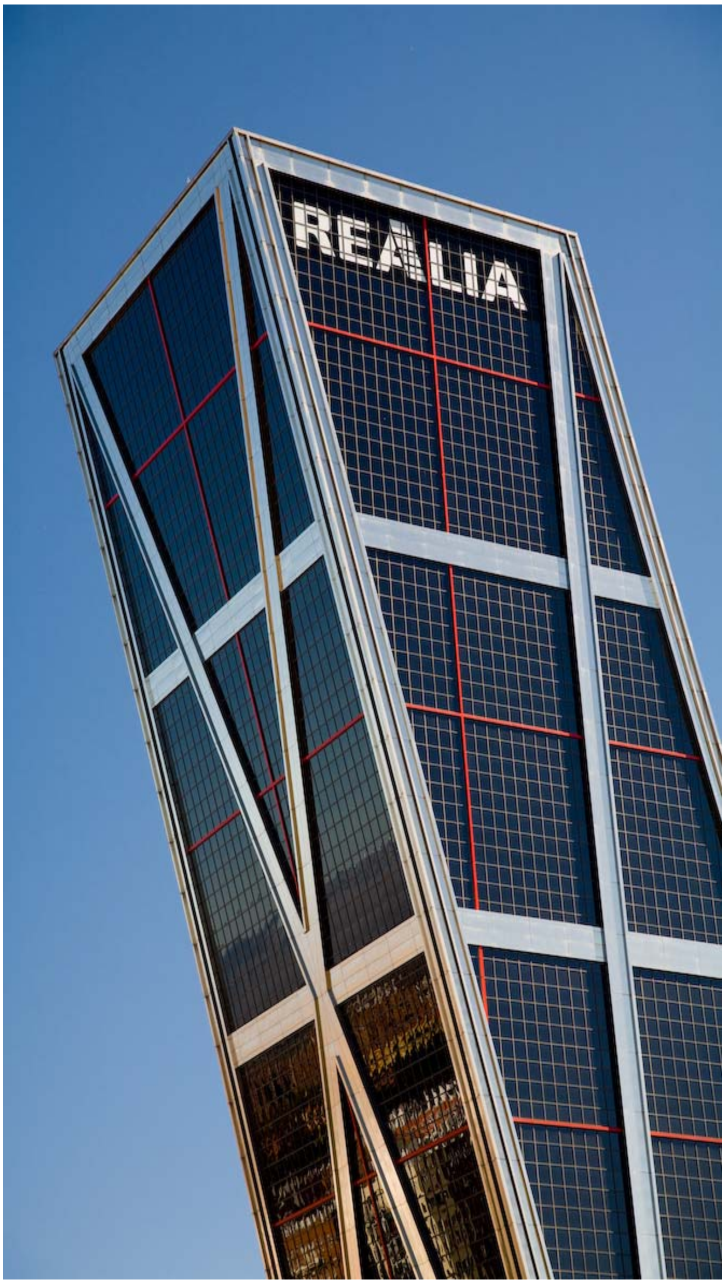


January - June 2011 results

28 July 2011

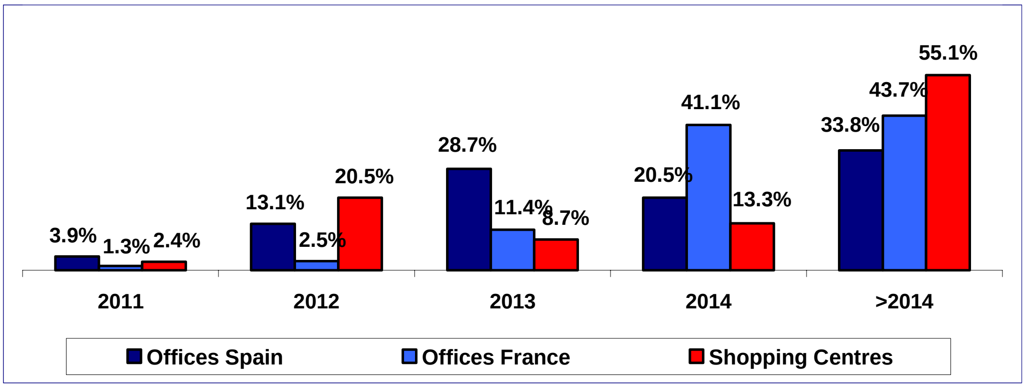
Highlights 1H 2011

RESULTS

- Commercial Property business continues showing a recurrent income giving the company stability and solidity, representing over 94% of the total gross margin.
- Net Income in 1H 2011 amounted to 11 million euro.

COMMERCIAL PROPERTY

- Consistent with the policy of asset rotation, Realia has sold assets for a total of 80.5 million euro, with 43.8 million euro of capital gains.
- Realia continues increasing its exposure to the prime office market with the acquisition of a 7% stake in Hermanos Revilla for 30.3 million euro, reaching a stake of 48.79% in the company.
- Commercial Property business maintains high occupancy 94.2% (ex–BCN Tower) due to the high quality portfolio.
- Realia BCN office Tower in Barcelona (GLA 31,959 sqm) has reached an occupancy of 76.4%.
- 47.7% of total rental revenues is generated in Paris.
- Most of lease contracts maturiting in 2011 and 2012 have already been renewed in 1H 2011, giving long term stability and visibility to the rental income:



SIIC DE PARIS

- As of June 2011, the total asset valuation (GAV) of the French subsidiary of Realia, Siic de Paris, amounted to 1,499 million euro based on market appraisals from independent expert of recognised standing, CB Richard Ellis.
- On a like-for-like asset basis, the value has increased 1.3% vs. comparable assets in December 2010, confirming again the positive performance of the Paris *prime* office market.

FINANCIAL SITUATION

- Realia has treasury and treasury equivalents for a total of 204 million euro.
- Over 94% gross debt matures from December 2012 – 2017.

HOMEBUILDING

- The difficulties in obtaining financing from potential buyers and the reduction of the stock during 2009 and 2010 have slowed down the pace of home sales in 2011.

Financial Highlights (30 June 2011)

(€mm)	1H 2011	1H 2010	% Change
Total Revenues	**170.9**	**161.8**	**5.6**
Rents	**88.0**	**87.7**	**0.3**
EBITDA	**108.8**	**68.5**	**58.8**
EBITDA Rents	64.2	66.2	-3.0
EBITDA Homebuilding	1.2	0.4	182.3
EBITDA Land	-0.2	1.2	-118.3
EBITDA Sale of assets	43.8	0.7	
EBITDA Others	-0.2	0.1	-348.6
Net results (Group share)	**11.0**	**1.0**	**962.9**
Net Financial Debt	**2,141**	**2,197**	**-2.6**
Nº Shares (mm)	**277.4**	**277.4**	
Results per Share (€)	**0.04**	**0.00**	**962.9**

Operational Highlights (30 June 2011)

	1H 2011	1H 2010	% Change
Commercial Property			
GLA (sqm)	**605,431**	**623,140**	**-2.8**
Operational	540,996	569,946	-5.1
In Progress [1]	64,435	53,194	21.1
Occupancy rate (%)	**94.2%**	**94.8%**	**-0.6**
Land & Homebuilding			
Pre-sales			
Total value of contracts (€mm)	19.8	64.7	-69.5
Homes	109	286	-62.0
Pre-sales backlog (€mm)	**24.7**	**50.0**	**-50.5**
Land Bank Consolidated (sqm mm)	**3.3**	**3.5**	**-5.5**
Nº Employees	**162**	**175**	**-7.4**

[1] *Excluding some development projects postponed until more favourable market conditions. Including only 50% As Cancelas.*

[2] *Excluding BCN office tower in Barcelona in commercializing phase (let 76.4%).*

Consolidated Income Statement

(€mm)	1H 2011	1H 2010	*% Change*
Total Revenues	**170.9**	**161.8**	**5.6**
Rents	88.0	87.7	0.3
Sale of assets	43.8	0.7	
Homebuilding	36.2	69.0	-47.6
Land sales	1.2	1.2	-1.2
Other	1.7	3.2	-46.3
Total Gross Margin	**119.3**	**79.7**	**49.6**
% Margin	*69.8*	*49.3*	
Rents	68.5	70.2	-2.5
Sale of assets	43.8	0.7	
Homebuilding	7.4	7.6	-2.6
Land sales	-0.2	1.2	
Other	-0.2	0.1	
Overheads	-10.4	-11.2	-6.7
EBITDA	**108.8**	**68.5**	**58.8**
Amortization	-18.1	-17.3	4.8
Depreciation	1.4	11.1	-86.9
EBIT	**92.2**	**62.4**	**47.8**
% Margin	*53.9*	*38.5*	
Financial Result	-50.3	-48.4	4.0
Other Results	-2.4	-7.9	-69.0
Results before taxes	**39.4**	**6.1**	
Taxes	2.3	-0.5	
Results after taxes	**41.7**	**5.6**	
Minority Interests	-30.6	-4.6	
Net results (Group share)	**11.0**	**1.0**	

- Commercial Property business continues showing a recurrent income giving the company stability and solidity, representing over 94% of the total gross margin.
- Home sales have decreased in 2011 due to the difficulties in obtaining financing from potential buyers.
- Realia has sold in 1H 2011 assets for a total of 80.5 million euro, with 43.8 million euro of capital gains.
- Realia continues with an important cost-cutting effort reducing overheads -6,7%.
- 1H 2011 gross debt average cost stood at 4.24%.
- Minority interests have significantly increased mainly due to the sale of the stake in La Vaguada Shopping Centre (Madrid) through Hermanos Revilla in which Realia has minority partners.
- Net Income amounted to 11 million euro in 1H 2011.

Consolidated Balance Sheet

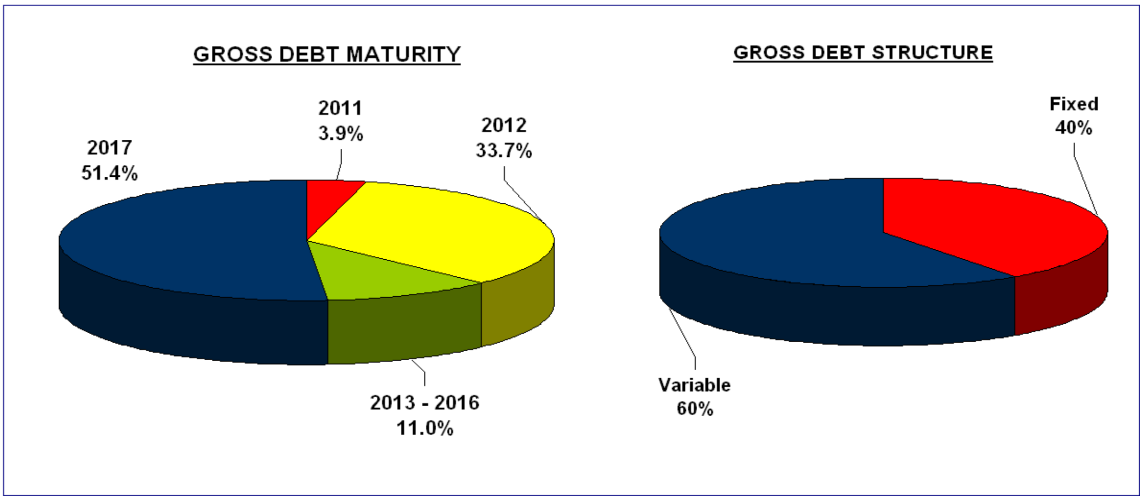
(€mm)	1H 2011	2010		1H 2011	2010
Tangible Fixed assets	9	9	Equity	488	481
Investment Property	2,311	2,358	Minority Shareholders	516	514
Financial Investment	95	96	Financial Debt	2,345	2,357
Inventories	903	923	Current Creditors	86	136
Accounts Receivable	53	53	Other Liabilities	284	313
Treasury and Equivalents	204	230			
Others Assets	144	131			
Total Assets	**3,719**	**3,801**	**Total Liabilities**	**3,719**	**3,801**

Realia accounts the value of its assets according to its acquisition cost instead of its market value

Financial Structure

Financial Structure	1H 2011	1H 2010
Syndicated loan	2,159.6	2,164.2
Credit lines	42.2	35.5
Mortgage loans	127.3	141.0
Loans	15.7	24.8
Total Gross Financial Debt	**2,344.9**	**2,365.5**
Treasury	161.2	132.8
Treasury equivalents	42.4	35.5
Total Net Financial Debt	**2,141.2**	**2,197.3**

- Realia has treasury and treasury equivalents for a total of 204 million euro.
- Over 94% gross debt matures from December 2012 – 2017.



Commercial Property

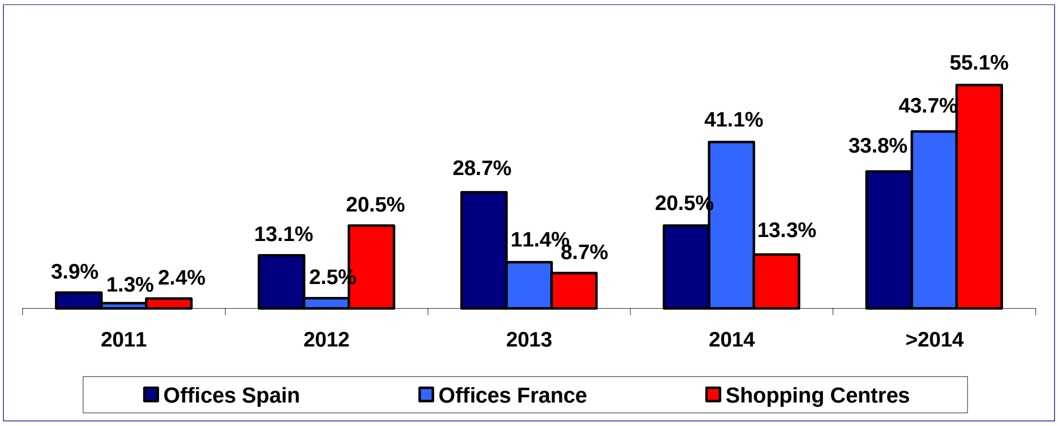
Rental Income (including expenses charged)

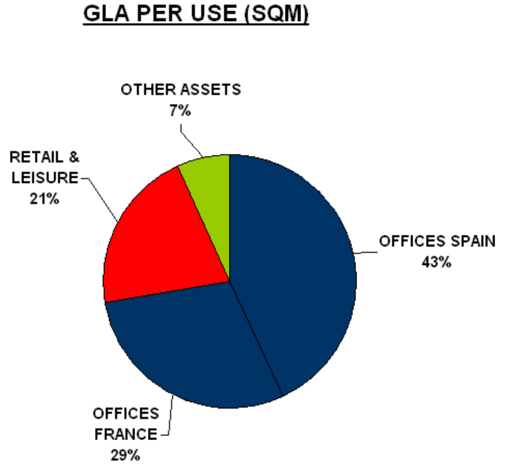
(€mm)	1H 2011	1H 2010	*% Change*	Like for Like (%)	Occupancy (%)	Occupancy* (%)
Offices	**74.2**	**74.0**	**0.3**	**-3.6**	**93.5**	**95.1**
Spain	32.8	39.2	-16.4	-3.8	92.2	94.7
France	41.4	34.8	19.1	-3.5	95.5	95.5
Retails & Leisure	**12.7**	**12.9**	**-1.8**	**-1.5**	**89.6**	**89.6**
Other	**1.1**	**0.8**	**45.0**	**1.7**	**100.0**	**100.0**
Total Revenues	**88.0**	**87.7**	**0.3**	**-3.3**	**93.2**	**94.2**
Gross Margin	**68.5**	**70.2**	**-2.5**			
Margin (%)	***77.8***	***80.1***				

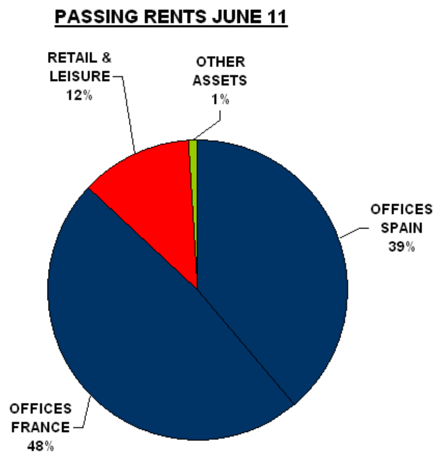
[1] *Excluding BCN office tower in Barcelona in commercializing phase (let 76.4%).*

- Rental income *like-for-like* -3.3% in 1H 2011 due to the impact of some downward rent reviews.
- However, Commercial Property business maintains high occupancy 94.2% (ex–BCN Tower) due to the high quality portfolio.
- Spanish offices rental income has decreased -16.4% mainly as a result of the sale in 2010 of Diagonal 640 office building.
- Paris offices rental income has increased +19.1% mainly due to the rentals of new assets (Montrouge and Coface office buildings).
- Most of lease contracts maturiting in 2011 and 2012 have already been renewed in 1H 2011, giving long term stability and visibility to the rental income:

Expiry % of lease contracts







Asset Sales

(€mm)	1H 2011	1H 2010
Spain	49.6	0.2
France	30.8	4.6
Total Revenues	**80.5**	**4.8**
Spain	39.7	0.7
France	4.1	-0.1
Total Gross Margin	**43.8**	**0.7**
Margin (%)	***54.5***	***14.5***

- Consistent with the policy of asset rotation, Realia has sold assets for a total of 80.5 million euro, with 43.8 million euro of capital gains:
  - Realia has sold, through its branch Hermanos Revilla, its minority interest in La Vaguada Shopping Centre in Madrid for 50 million euro. The sale is 3.5% above the latest CBRE valuation (December 2010) and generates 38.7 million euro of capital gains.
  - Realia sold, through its French subsidiary Siic de Paris, 92 Avenue Wagram office building in Paris for 22 million euro. The sale is 10.5% above the latest CBRE valuation (December 2010) and generates 0.7 million euro of capital gains.
  - Realia has sold, through the French subsidiary Siic de Paris 8ème, Waldorf hotel in 12 boulevard Malesherbes in Paris for 9 million euro. The sale is 0.5% above the latest CBRE valuation (December 2010) and generates 3.5 million euro of capital gains.

*** Realia accounts the value of its assets according to its acquisition cost instead of its market value**

Pipeline

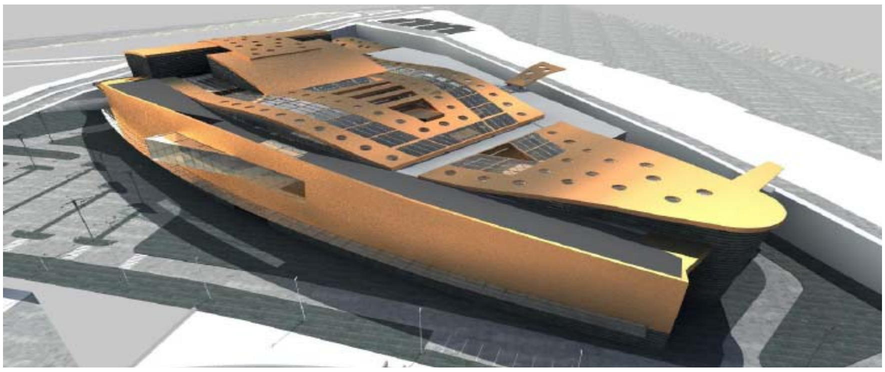
- In the period 2011-2013 Realia intends to carry out some investments which will provide a bigger Commercial Property portfolio and additional rental growth:

Pipeline	Location	GLA	Total investment	Incurred investment	Annual rent expected	Yield to cost	Opening
As Cancelas [1]	Santiago	25,172	106.0	77.0	6.4	6.0%	2012
Total Retail		**25,172**	**106.0**	**77.0**	**6.4**		
163 Malesherbes [2]	Paris	1,359	4.5	0.7	0.9	6.4%	2011
2 rue du 4 septembre [2]	Paris	3,868	1,8	0.1	2.6	5.7%	2011
8 Rue Lavoisier [2]	Paris	2,860	1,3	0.0	1,8	5.5%	2011
Les Miroirs [2]	Paris	22,386	24.0	0.3	9.3	6.2%	2013
Albasanz, 14	Madrid	8,790	20.1	14.9	1.7	6.3%	2012
Total Offices		**39,263**	**51.7**	**15.9**	**16.3**		
Total Pipeline		**64,435**	**157.7**	**92.9**	**22.7**		

[1] ***Only Realia´s share (50%).***

[2] ***Under refurbishment.***

- Realia and Carrefour Property have created a 50% Joint Venture to develop and operate As Cancelas Shopping Centre in Santiago de Compostela, with a total GLA of 50,812 sqm. The Project is 59% pre-let to prestigious tenants as Carrefour, Primark, Inditex and Cinesa. The opening is estimated for the 2H 2012.



- Realia, through its French subsidiary Siic de Paris, continues increasing investments in Paris to renovate and modernize progressively the French office portfolio.

Land and Homebuilding

(€mm)	1H 2011	1H 2010	*% Change*
Revenues			
Homebuilding	36.2	69.0	-47.6
Land sales	1.2	1.2	-1.2
Total Revenues	**37.4**	**70.2**	**-46.8**
Gross Margin			
Homebuilding	7.4	7.6	-2.6
Land sales	-0.2	1.2	-118.3
Total Gross Margin	**7.2**	**8.8**	**-18.2**
MargIn Homebuilding(%)	***20.4***	***11.0***	

- Home sales have decreased in 2011 due to the difficulties in obtaining financing from potential buyers.
- However, homebuilding margin has increased in 2001 due to 31 home deliveries in Fuenlabrada (Madrid) with higher margin thanks to historical low land price.
- Realia has delivered 184 homes in 1H 2011 for a total amount of 36.2 million euro:

Deliveries	Nº Units Homes	Revenues €mm
Madrid / Centro	120	25.2
Levante	21	4.6
Canarias	17	1.9
Cataluña	11	2.1
Polonia	9	1.4
Asturias	3	0.4
Andalucía	2	0.3
Portugal	1	0.3
Total	**184**	**36.2**

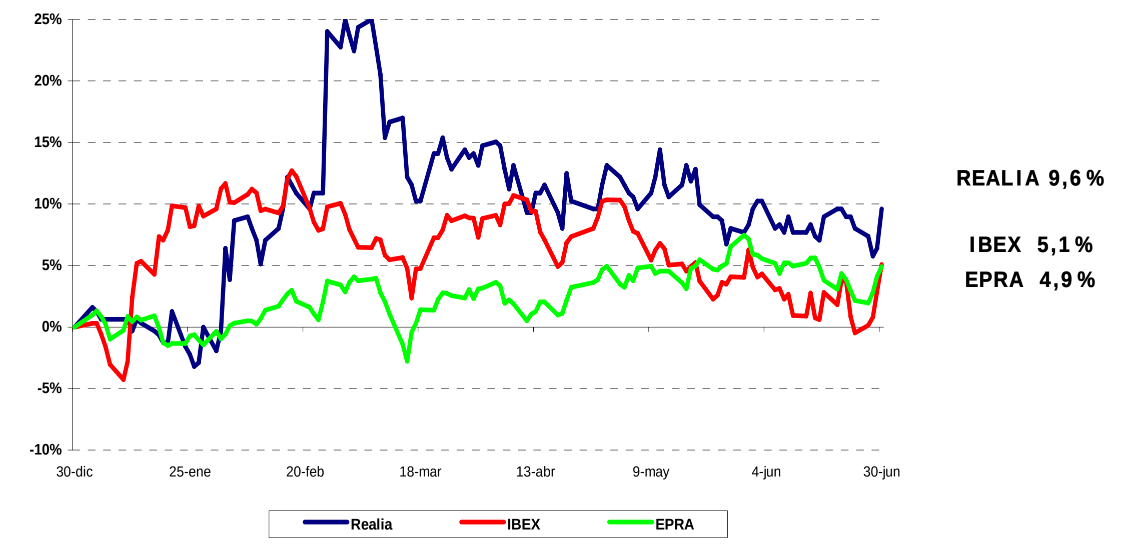
- Pre-sales amounted to 109 homes in 1H 2011 for a total amount of 19.8 million euro:

Pre sales evolution	1H 2011	1H 2010
(+) Pre-sales		
Number of units	109	286
Total value of contracts (€mm)	19.8	64.7
(-) Deliveries		
Number of homes	184	298
Total value of contracts (€mm)	36.2	69.0
Pre-sales backlog at EoP		
Number of units	120	216
Total value of contracts (€mm)	24.7	50.0

- Realia has a total stock of 1,086 homes (432 under construction and 654 finished) of which 120 had already been pre-sold and 966 for sale (263 in Madrid and central area, 276 in Andalusia, 191 in Levante, 157 in Catalonia, 54 in Warsaw (Poland), 23 in Portugal and 2 in Canary Islands).

Stock Data

1H 2011 performance vs IBEX 35 / EPRA Index



	1H 2011
Closing Stock Price (€ per share)	1.71
Market cap. EoP (€)	474,313,511
High of the period (€ per share)	1.95
Low of the period (€ per share)	1.51
Daily Trading Volume (€)	259,859
Daily Trading Volume (shares)	151,329

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